

State of Illinois 91st General Assembly Final Senate Journal

SENATE JOURNAL

STATE OF ILLINOIS

NINETY-FIRST GENERAL ASSEMBLY

105TH LEGISLATIVE DAY

TUESDAY, NOVEMBER 14, 2000

12:00 O'CLOCK NOON

No. 105

[Nov. 14, 2000]

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The Senate met pursuant to adjournment.
Honorable James "Pate" Philip, Wood Dale, Illinois, presiding.
Prayer by Dr. Reginald Mills, Central Baptist Church,
Springfield, Illinois.
Senator Radogno led the Senate in the Pledge of Allegiance.

The Journal of Thursday, November 9, 2000, was being read when on motion of Senator W. Jones further reading of same was dispensed with and unless some Senator had corrections to offer, the Journal would stand approved. No corrections being offered, the Journal was ordered to stand approved.

REPORTS RECEIVED

The Secretary placed before the Senate the following reports:

The 1999 Annual Report of the Interstate Insurance Receivership Commission submitted by the Department of Insurance in compliance with 45 ILCS 160/5 Article X of the Interstate Insurance Receivership Compact Act.

The 1999 Annual Report featuring operations and programs for the last fiscal year submitted by the Illinois Motor Vehicle Theft Prevention Council pursuant to Public Acts 86-1408, 89-277, and 91-85.

The foregoing reports were ordered received and placed on file in the Secretary's Office.

LEGISLATIVE MEASURES FILED

The following floor amendments to the Senate Bills listed below have been filed with the Secretary, and referred to the Committee on Rules:

Senate Amendment No. 1 to Senate Bill 1867
Senate Amendment No. 2 to Senate Bill 1867
Senate Amendment No. 1 to Senate Bill 1869

MOTION IN WRITING

Senator Karpriel submitted the following Motion in Writing:

I move to accept the specific recommendations of the Governor as to **Senate Bill 810** in manner and form as follows:

AMENDMENT TO SENATE BILL 810

IN ACCEPTANCE OF GOVERNOR'S RECOMMENDATIONS

Amend Senate Bill 810 on page 2, line 9, after "facility.", by inserting the following:

"As used in this Section, "child care facility" is limited to a child care facility located in Illinois."

Date: November 9, 2000

s/Doris Karpriel
Senator

The foregoing Motion in Writing was filed with the Secretary and
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placed on the Senate Calendar.

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 438

Offered by Senator Dudycz and all Senators:
Mourns the death of former U.S. Congressman Timothy Patrick Sheehan.

SENATE RESOLUTION NO. 439

Offered by Senator O'Malley and all Senators:
Mourns the death of Leonard J. Surdyk of Palos Heights.

SENATE RESOLUTION NO. 440

Offered by Senator Mitchell and all Senators:
Mourns the death of Michael A. Bourlard of Springfield.

SENATE RESOLUTION NO. 441

Offered by Senator Link and all Senators:
Mourns the death of Joseph Miceli.

SENATE RESOLUTION NO. 442

Offered by Senator Dillard and all Senators:
Mourns the death of Rima Skorubskas of Downers Grove.

SENATE RESOLUTION NO. 443

Offered by Senator Demuzio and all Senators:
Mourns the death of Kenneth G. Herbeck of Staunton.

SENATE RESOLUTION NO. 444

Offered by Senator R. Madigan and all Senators:
Mourns the death of Nicholas Butera of Minonk.

The foregoing resolutions were referred to the Resolutions Consent Calendar.

**READING BILL FROM THE HOUSE OF REPRESENTATIVES
A FIRST TIME**

House Bill No. 3615, sponsored by Senator Philip was taken up, read by title a first time and referred to the Committee on Rules.

At the hour of 12:30 o'clock p.m., Senator Donahue presiding.

REPORTS FROM RULES COMMITTEE

Senator Weaver, Chairperson of the Committee on Rules, during its November 14, 2000 meeting, reported the following House Bills have been assigned to the indicated Standing Committees of the Senate:

Executive: **House Bill No. 3615.**
Insurance and Pensions: **House Bill No. 4347.**
Judiciary: **House Bill No. 3841.**
Local Government: **House Bill No. 1712.**
Revenue: **House Bill No. 1991.**
Transportation: **House Bill No. 4253.**

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Senator Weaver, Chairperson of the Committee on Rules, during its November 14, 2000 meeting, reported the following Senate Resolution has been assigned to the indicated Standing Committee of the Senate:

Executive: **Senate Resolution No. 214.**

Senator Weaver, Chairperson of the Committee on Rules, during its Weaver meeting, reported the following Legislative Measure has been assigned to the indicated Standing Committee of the Senate:

Executive: **Senate Amendment No. 1 to Senate Bill 1869.**

Senator Weaver Chairperson of the Committee on Rules, to which was referred **Senate Bill No. 1854**, on May 16, 2000, pursuant to Rule 3-9(b), reported that the Committee recommends that the bill be approved for consideration and returned to the calendar in its former position.

The report of the Committee was concurred in.

And **Senate Bill No. 1854**, was returned to the order of third reading.

Senator Weaver, Chairperson of the Committee on Rules, reported that the following Legislative Measure has been approved for consideration:

Senate Amendment No. 2 to Senate Bill No. 1867

The foregoing floor amendment was placed on the Secretary's Desk.

SENATE BILL RECALLED

On motion of Senator Watson, **Senate Bill No. 1867** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 1 was filed earlier today and referred to the Committee on Rules.

Senators Watson - Philip offered the following amendment:

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend Senate Bill 1867 by replacing everything after the enacting clause with the following:

"Section 5. The State Finance Act is amended by changing Sections 6z-18 and 6z-20 as follows:

(30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

Sec. 6z-18. A portion of the money paid into the Local Government Tax Fund from sales of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks and food which has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances and insulin, urine testing materials, syringes and needles used by diabetics, which occurred in municipalities, shall be distributed to each municipality based upon the sales which occurred in that municipality. The remainder shall be distributed to each county based upon the sales which occurred in

the unincorporated area of that county.

A portion of the money paid into the Local Government Tax Fund from the 6.25% general use tax rate on the selling price of tangible personal property which is purchased outside Illinois at retail from a retailer and which is titled or registered by any agency of this State's government shall be distributed to municipalities as provided

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in this paragraph. Each municipality shall receive the amount attributable to sales for which Illinois addresses for titling or registration purposes are given as being in such municipality. The remainder of the money paid into the Local Government Tax Fund from such sales shall be distributed to counties. Each county shall receive the amount attributable to sales for which Illinois addresses for titling or registration purposes are given as being located in the unincorporated area of such county.

A portion of the money paid into the Local Government Tax Fund from the 6.25% general rate (and, beginning July 1, 2000 ~~and through December 31, 2000~~, the 1.25% rate on motor fuel and gasohol) on sales subject to taxation under the Retailers' Occupation Tax Act and the Service Occupation Tax Act, which occurred in municipalities, shall be distributed to each municipality, based upon the sales which occurred in that municipality. The remainder shall be distributed to each county, based upon the sales which occurred in the unincorporated area of such county.

For the purpose of determining allocation to the local government unit, a retail sale by a producer of coal or other mineral mined in Illinois is a sale at retail at the place where the coal or other mineral mined in Illinois is extracted from the earth. This paragraph does not apply to coal or other mineral when it is delivered or shipped by the seller to the purchaser at a point outside Illinois so that the sale is exempt under the United States Constitution as a sale in interstate or foreign commerce.

Whenever the Department determines that a refund of money paid into the Local Government Tax Fund should be made to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified, and to the person named, in such notification from the Department. Such refund shall be paid by the State Treasurer out of the Local Government Tax Fund.

On or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the disbursement of stated sums of money to named municipalities and counties, the municipalities and counties to be those entitled to distribution of taxes or penalties paid to the Department during the second preceding calendar month. The amount to be paid to each municipality or county shall be the amount (not including credit memoranda) collected during the second preceding calendar month by the Department and paid into the Local Government Tax Fund, plus an amount the Department determines is necessary to offset any amounts which were erroneously paid to a different taxing body, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department, and not including any amount which the Department

determines is necessary to offset any amounts which are payable to a different taxing body but were erroneously paid to the municipality or county. Within 10 days after receipt, by the Comptroller, of the disbursement certification to the municipalities and counties, provided for in this Section to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in such certification.

When certifying the amount of monthly disbursement to a municipality or county under this Section, the Department shall increase or decrease that amount by an amount necessary to offset any misallocation of previous disbursements. The offset amount shall be the amount erroneously disbursed within the 6 months preceding the time a misallocation is discovered.

The provisions directing the distributions from the special fund

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in the State Treasury provided for in this Section shall constitute an irrevocable and continuing appropriation of all amounts as provided herein. The State Treasurer and State Comptroller are hereby authorized to make distributions as provided in this Section.

In construing any development, redevelopment, annexation, preannexation or other lawful agreement in effect prior to September 1, 1990, which describes or refers to receipts from a county or municipal retailers' occupation tax, use tax or service occupation tax which now cannot be imposed, such description or reference shall be deemed to include the replacement revenue for such abolished taxes, distributed from the Local Government Tax Fund.

(Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

(30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

Sec. 6z-20. Of the money received from the 6.25% general rate (and, beginning July 1, 2000 ~~and through December 31, 2000~~, the 1.25% rate on motor fuel and gasohol) on sales subject to taxation under the Retailers' Occupation Tax Act and Service Occupation Tax Act and paid into the County and Mass Transit District Fund, distribution to the Regional Transportation Authority tax fund, created pursuant to Section 4.03 of the Regional Transportation Authority Act, for deposit therein shall be made based upon the retail sales occurring in a county having more than 3,000,000 inhabitants. The remainder shall be distributed to each county having 3,000,000 or fewer inhabitants based upon the retail sales occurring in each such county.

For the purpose of determining allocation to the local government unit, a retail sale by a producer of coal or other mineral mined in Illinois is a sale at retail at the place where the coal or other mineral mined in Illinois is extracted from the earth. This paragraph does not apply to coal or other mineral when it is delivered or shipped by the seller to the purchaser at a point outside Illinois so that the sale is exempt under the United States Constitution as a sale in interstate or foreign commerce.

Of the money received from the 6.25% general use tax rate on tangible personal property which is purchased outside Illinois at

retail from a retailer and which is titled or registered by any agency of this State's government and paid into the County and Mass Transit District Fund, the amount for which Illinois addresses for titling or registration purposes are given as being in each county having more than 3,000,000 inhabitants shall be distributed into the Regional Transportation Authority tax fund, created pursuant to Section 4.03 of the Regional Transportation Authority Act. The remainder of the money paid from such sales shall be distributed to each county based on sales for which Illinois addresses for titling or registration purposes are given as being located in the county. Any money paid into the Regional Transportation Authority Occupation and Use Tax Replacement Fund from the County and Mass Transit District Fund prior to January 14, 1991, which has not been paid to the Authority prior to that date, shall be transferred to the Regional Transportation Authority tax fund.

Whenever the Department determines that a refund of money paid into the County and Mass Transit District Fund should be made to a claimant instead of issuing a credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified, and to the person named, in such notification from the Department. Such refund shall be paid by the State Treasurer out of the County and Mass Transit District Fund.

On or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the disbursement of

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stated sums of money to the Regional Transportation Authority and to named counties, the counties to be those entitled to distribution, as hereinabove provided, of taxes or penalties paid to the Department during the second preceding calendar month. The amount to be paid to the Regional Transportation Authority and each county having 3,000,000 or fewer inhabitants shall be the amount (not including credit memoranda) collected during the second preceding calendar month by the Department and paid into the County and Mass Transit District Fund, plus an amount the Department determines is necessary to offset any amounts which were erroneously paid to a different taxing body, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department, and not including any amount which the Department determines is necessary to offset any amounts which were payable to a different taxing body but were erroneously paid to the Regional Transportation Authority or county. Within 10 days after receipt, by the Comptroller, of the disbursement certification to the Regional Transportation Authority and counties, provided for in this Section to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in such certification.

When certifying the amount of a monthly disbursement to the Regional Transportation Authority or to a county under this Section, the Department shall increase or decrease that amount by an amount necessary to offset any misallocation of previous disbursements. The offset amount shall be the amount erroneously disbursed within the 6 months preceding the time a misallocation is discovered.

The provisions directing the distributions from the special fund in the State Treasury provided for in this Section and from the Regional Transportation Authority tax fund created by Section 4.03 of the Regional Transportation Authority Act shall constitute an irrevocable and continuing appropriation of all amounts as provided herein. The State Treasurer and State Comptroller are hereby authorized to make distributions as provided in this Section.

In construing any development, redevelopment, annexation, preannexation or other lawful agreement in effect prior to September 1, 1990, which describes or refers to receipts from a county or municipal retailers' occupation tax, use tax or service occupation tax which now cannot be imposed, such description or reference shall be deemed to include the replacement revenue for such abolished taxes, distributed from the County and Mass Transit District Fund or Local Government Distributive Fund, as the case may be.

(Source: P.A. 90-491, eff. 1-1-98; 91-872, eff. 7-1-00.)

Section 10. The Use Tax Act is amended by changing Section 3-10 as follows:

(35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

Sec. 3-10. Rate of tax. Unless otherwise provided in this Section, the tax imposed by this Act is at the rate of 6.25% of either the selling price or the fair market value, if any, of the tangible personal property. In all cases where property functionally used or consumed is the same as the property that was purchased at retail, then the tax is imposed on the selling price of the property. In all cases where property functionally used or consumed is a by-product or waste product that has been refined, manufactured, or produced from property purchased at retail, then the tax is imposed on the lower of the fair market value, if any, of the specific property so used in this State or on the selling price of the property purchased at retail. For purposes of this Section "fair market value" means the price at which property would change hands between a willing buyer and a willing seller, neither being under any

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compulsion to buy or sell and both having reasonable knowledge of the relevant facts. The fair market value shall be established by Illinois sales by the taxpayer of the same property as that functionally used or consumed, or if there are no such sales by the taxpayer, then comparable sales or purchases of property of like kind and character in Illinois.

Beginning on July 1, 2000 ~~and through December 31, 2000~~, with respect to motor fuel, as defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of the Use Tax Act, the tax is imposed at the rate of 1.25%. The changes made by this amendatory Act of the 91st General Assembly are exempt from the provisions of Section 3-90.

With respect to gasohol, the tax imposed by this Act applies to 70% of the proceeds of sales made on or after January 1, 1990, and before July 1, 2003, and to 100% of the proceeds of sales made thereafter.

With respect to food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages,

soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, the tax is imposed at the rate of 1%. For the purposes of this Section, the term "soft drinks" means any complete, finished, ready-to-use, non-alcoholic drink, whether carbonated or not, including but not limited to soda water, cola, fruit juice, vegetable juice, carbonated water, and all other preparations commonly known as soft drinks of whatever kind or description that are contained in any closed or sealed bottle, can, carton, or container, regardless of size. "Soft drinks" does not include coffee, tea, non-carbonated water, infant formula, milk or milk products as defined in the Grade A Pasteurized Milk and Milk Products Act, or drinks containing 50% or more natural fruit or vegetable juice.

Notwithstanding any other provisions of this Act, "food for human consumption that is to be consumed off the premises where it is sold" includes all food sold through a vending machine, except soft drinks and food products that are dispensed hot from a vending machine, regardless of the location of the vending machine.

If the property that is purchased at retail from a retailer is acquired outside Illinois and used outside Illinois before being brought to Illinois for use here and is taxable under this Act, the "selling price" on which the tax is computed shall be reduced by an amount that represents a reasonable allowance for depreciation for the period of prior out-of-state use.

(Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98; 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

Section 15. The Service Use Tax Act is amended by changing Section 3-10 as follows:

(35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

Sec. 3-10. Rate of tax. Unless otherwise provided in this Section, the tax imposed by this Act is at the rate of 6.25% of the selling price of tangible personal property transferred as an incident to the sale of service, but, for the purpose of computing this tax, in no event shall the selling price be less than the cost price of the property to the serviceman.

Beginning on July 1, 2000 ~~and through December 31, 2000~~, with respect to motor fuel, as defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of the Use Tax Act, the tax is imposed at the rate of 1.25%. The changes made by this

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amendatory Act of the 91st General Assembly are exempt from the provisions of Section 3-75.

With respect to gasohol, as defined in the Use Tax Act, the tax imposed by this Act applies to 70% of the selling price of property transferred as an incident to the sale of service on or after January 1, 1990, and before July 1, 2003, and to 100% of the selling price thereafter.

At the election of any registered serviceman made for each fiscal year, sales of service in which the aggregate annual cost price of

tangible personal property transferred as an incident to the sales of service is less than 35%, or 75% in the case of servicemen transferring prescription drugs or servicemen engaged in graphic arts production, of the aggregate annual total gross receipts from all sales of service, the tax imposed by this Act shall be based on the serviceman's cost price of the tangible personal property transferred as an incident to the sale of those services.

The tax shall be imposed at the rate of 1% on food prepared for immediate consumption and transferred incident to a sale of service subject to this Act or the Service Occupation Tax Act by an entity licensed under the Hospital Licensing Act, the Nursing Home Care Act, or the Child Care Act of 1969. The tax shall also be imposed at the rate of 1% on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption and is not otherwise included in this paragraph) and prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. For the purposes of this Section, the term "soft drinks" means any complete, finished, ready-to-use, non-alcoholic drink, whether carbonated or not, including but not limited to soda water, cola, fruit juice, vegetable juice, carbonated water, and all other preparations commonly known as soft drinks of whatever kind or description that are contained in any closed or sealed bottle, can, carton, or container, regardless of size. "Soft drinks" does not include coffee, tea, non-carbonated water, infant formula, milk or milk products as defined in the Grade A Pasteurized Milk and Milk Products Act, or drinks containing 50% or more natural fruit or vegetable juice.

Notwithstanding any other provisions of this Act, "food for human consumption that is to be consumed off the premises where it is sold" includes all food sold through a vending machine, except soft drinks and food products that are dispensed hot from a vending machine, regardless of the location of the vending machine.

If the property that is acquired from a serviceman is acquired outside Illinois and used outside Illinois before being brought to Illinois for use here and is taxable under this Act, the "selling price" on which the tax is computed shall be reduced by an amount that represents a reasonable allowance for depreciation for the period of prior out-of-state use.

(Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98; 91-51, eff. 6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

Section 20. The Service Occupation Tax Act is amended by changing Section 3-10 as follows:

(35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

Sec. 3-10. Rate of tax. Unless otherwise provided in this Section, the tax imposed by this Act is at the rate of 6.25% of the "selling price", as defined in Section 2 of the Service Use Tax Act, of the tangible personal property. For the purpose of computing this tax, in no event shall the "selling price" be less than the cost

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price to the serviceman of the tangible personal property transferred. The selling price of each item of tangible personal property transferred as an incident of a sale of service may be shown as a distinct and separate item on the serviceman's billing to the service customer. If the selling price is not so shown, the selling price of the tangible personal property is deemed to be 50% of the serviceman's entire billing to the service customer. When, however, a serviceman contracts to design, develop, and produce special order machinery or equipment, the tax imposed by this Act shall be based on the serviceman's cost price of the tangible personal property transferred incident to the completion of the contract.

Beginning on July 1, 2000 ~~and through December 31, 2000~~, with respect to motor fuel, as defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of the Use Tax Act, the tax is imposed at the rate of 1.25%. The changes made by this amendatory Act of the 91st General Assembly are exempt from the provisions of Section 3-55.

With respect to gasohol, as defined in the Use Tax Act, the tax imposed by this Act shall apply to 70% of the cost price of property transferred as an incident to the sale of service on or after January 1, 1990, and before July 1, 2003, and to 100% of the cost price thereafter.

At the election of any registered serviceman made for each fiscal year, sales of service in which the aggregate annual cost price of tangible personal property transferred as an incident to the sales of service is less than 35%, or 75% in the case of servicemen transferring prescription drugs or servicemen engaged in graphic arts production, of the aggregate annual total gross receipts from all sales of service, the tax imposed by this Act shall be based on the serviceman's cost price of the tangible personal property transferred incident to the sale of those services.

The tax shall be imposed at the rate of 1% on food prepared for immediate consumption and transferred incident to a sale of service subject to this Act or the Service Occupation Tax Act by an entity licensed under the Hospital Licensing Act, the Nursing Home Care Act, or the Child Care Act of 1969. The tax shall also be imposed at the rate of 1% on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption and is not otherwise included in this paragraph) and prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. For the purposes of this Section, the term "soft drinks" means any complete, finished, ready-to-use, non-alcoholic drink, whether carbonated or not, including but not limited to soda water, cola, fruit juice, vegetable juice, carbonated water, and all other preparations commonly known as soft drinks of whatever kind or description that are contained in any closed or sealed can, carton, or container, regardless of size. "Soft drinks" does not include coffee, tea, non-carbonated water, infant formula, milk or milk products as defined in the Grade A Pasteurized Milk and Milk Products Act, or drinks containing 50% or more natural fruit or vegetable juice.

Notwithstanding any other provisions of this Act, "food for human consumption that is to be consumed off the premises where it is sold" includes all food sold through a vending machine, except soft drinks

and food products that are dispensed hot from a vending machine, regardless of the location of the vending machine.
(Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98; 91-51,

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6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

Section 25. The Retailers' Occupation Tax Act is amended by changing Sections 2-10 and 2d as follows:

(35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

Sec. 2-10. Rate of tax. Unless otherwise provided in this Section, the tax imposed by this Act is at the rate of 6.25% of gross receipts from sales of tangible personal property made in the course of business.

Beginning on July 1, 2000 ~~and through December 31, 2000~~, with respect to motor fuel, as defined in Section 1.1 of the Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of the Use Tax Act, the tax is imposed at the rate of 1.25%. The changes made by this amendatory Act of the 91st General Assembly are exempt from the provisions of Section 2-70.

Within 14 days after the effective date of this amendatory Act of the 91st General Assembly, each retailer of motor fuel and gasohol shall cause the following notice to be posted in a prominently visible place on each retail dispensing device that is used to dispense motor fuel or gasohol in the State of Illinois: "As of July 1, 2000, the State of Illinois has eliminated the State's share of sales tax on motor fuel and gasohol through December 31, 2000. The price on this pump should reflect the elimination of the tax." The notice shall be printed in bold print on a sign that is no smaller than 4 inches by 8 inches. The sign shall be clearly visible to customers. Any retailer who fails to post or maintain a required sign through December 31, 2000 is guilty of a petty offense for which the fine shall be \$500 per day per each retail premises where a violation occurs.

With respect to gasohol, as defined in the Use Tax Act, the tax imposed by this Act applies to 70% of the proceeds of sales made on or after January 1, 1990, and before July 1, 2003, and to 100% of the proceeds of sales made thereafter.

With respect to food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption) and prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use, the tax is imposed at the rate of 1%. For the purposes of this Section, the term "soft drinks" means any complete, finished, ready-to-use, non-alcoholic drink, whether carbonated or not, including but not limited to soda water, cola, fruit juice, vegetable juice, carbonated water, and all other preparations commonly known as soft drinks of whatever kind or description that are contained in any closed or sealed bottle, can, carton, or container, regardless of size. "Soft drinks" does not include coffee, tea, non-carbonated water, infant formula, milk or milk products as defined in the Grade

A Pasteurized Milk and Milk Products Act, or drinks containing 50% or more natural fruit or vegetable juice.

Notwithstanding any other provisions of this Act, "food for human consumption that is to be consumed off the premises where it is sold" includes all food sold through a vending machine, except soft drinks and food products that are dispensed hot from a vending machine, regardless of the location of the vending machine.

(Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98; 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

(35 ILCS 120/2d) (from Ch. 120, par. 441d)

Sec. 2d. Tax prepayment by motor fuel retailer. Any person engaged in the business of selling motor fuel at retail, as defined

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in the Motor Fuel Tax Law, and who is not a licensed distributor or supplier, as defined in the Motor Fuel Tax Law, shall prepay to his or her distributor, supplier, or other reseller of motor fuel a portion of the tax imposed by this Act if the distributor, supplier, or other reseller of motor fuel is registered under Section 2a or Section 2c of this Act. The prepayment requirement provided for in this Section does not apply to liquid propane gas.

Beginning on July 1, 2000 ~~and through December 31, 2000~~, the Retailers' Occupation Tax paid to the distributor, supplier, or other reseller shall be an amount equal to \$0.01 per gallon of the motor fuel, ~~except gasohol as defined in Section 2-10 of this Act which shall be an amount equal to \$0.01 per gallon~~, purchased from the distributor, supplier, or other reseller.

Before July 1, 2000 ~~and then beginning on January 1, 2001 and thereafter~~, the Retailers' Occupation Tax paid to the distributor, supplier, or other reseller shall be an amount equal to \$0.04 per gallon of the motor fuel, except gasohol as defined in Section 2-10 of this Act which shall be an amount equal to \$0.03 per gallon, purchased from the distributor, supplier, or other reseller.

Any person engaged in the business of selling motor fuel at retail shall be entitled to a credit against tax due under this Act in an amount equal to the tax paid to the distributor, supplier, or other reseller.

Every distributor, supplier, or other reseller registered as provided in Section 2a or Section 2c of this Act shall remit the prepaid tax on all motor fuel that is due from any person engaged in the business of selling at retail motor fuel with the returns filed under Section 2f or Section 3 of this Act, but the vendors discount provided in Section 3 shall not apply to the amount of prepaid tax that is remitted. Any distributor or supplier who fails to properly collect and remit the tax shall be liable for the tax. For purposes of this Section, the prepaid tax is due on invoiced gallons sold during a month by the 20th day of the following month.

(Source: P.A. 91-872, eff. 7-1-00.)

Section 30. The Motor Fuel Tax Law is amended by changing Section 13a as follows:

(35 ILCS 505/13a) (from Ch. 120, par. 429a)

Sec. 13a. (1) A tax is hereby imposed upon the use of motor fuel upon highways of this State by commercial motor vehicles. The tax

shall be comprised of 2 parts. Part (a) shall be at the rate established by Section 2 of this Act, as heretofore or hereafter amended. Part (b) shall be at the rate established by subsection (2) of this Section as now or hereafter amended.

(2) For calendar years 2000 and before, a rate shall be established by the Department as of January 1 of each year using the average "selling price", as defined in the Retailers' Occupation Tax Act, per gallon of motor fuel sold in this State during the previous 12 months and multiplying it by 6 1/4% to determine the cents per gallon rate. For the period beginning on July 1, 2000 and through December 31, 2000, the Department shall establish a rate using the average "selling price", as defined in the Retailers' Occupation Tax Act, per gallon of motor fuel sold in this State during calendar year 1999 and multiplying it by 1.25% to determine the cents per gallon rate. On January 1, 2001 and on each January 1 thereafter the Department shall establish a rate using the average "selling price", as defined in the Retailers' Occupation Tax Act, per gallon of motor fuel sold in this State during the previous 12 months and multiplying it by 1.25% to determine the cents per gallon rate.

(Source: P.A. 91-872, eff. 7-1-00.)

Section 99. Effective date. This Act takes effect upon becoming

[Nov. 14, 2000]

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law.".

Senator Watson moved the adoption of the foregoing amendment.

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed; and the bill, as amended, was ordered to a third reading.

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in H.A.'s 1 & 2 to Senate Bill 1281

MOTIONS IN WRITING

Senator W. Jones submitted the following Motion in Writing:

I move to accept the specific recommendations of the Governor as to **Senate Bill 1404** in manner and form as follows:

AMENDMENT TO SENATE BILL 1404

IN ACCEPTANCE OF GOVERNOR'S RECOMMENDATIONS

Amend Senate Bill 1404 as follows:

on page 4, by deleting lines 18 and 19; and

on page 4, below line 23, by inserting the following:

"(c) Audiologists licensed under the Illinois Speech-Language Pathology and Audiology Practice Act are exempt from licensure under this Act, but are otherwise subject to the practices and provisions of this Act."

Date: November 14, 2000

s/Wendell E. Jones
Senator

Senator Dillard submitted the following Motion in Writing:

I move that **Senate Bill No. 1426** do pass, the veto of the Governor to the contrary notwithstanding.

DATE: November 14, 2000

s/Kirk Dillard
Senator

The foregoing Motions in Writing were filed with the Secretary and placed on the Senate Calendar.

At the hour of 1:10 o'clock p.m., on motion of Senator Weaver, the Senate stood adjourned until Wednesday, November 15, 2000 at 9:00 o'clock a.m.

[Nov. 14, 2000]